

AMENDED IN SENATE JULY 7, 2005
AMENDED IN ASSEMBLY MAY 26, 2005
AMENDED IN ASSEMBLY APRIL 11, 2005
AMENDED IN ASSEMBLY FEBRUARY 7, 2005

CALIFORNIA LEGISLATURE—2005—06 REGULAR SESSION

ASSEMBLY BILL

No. 84

Introduced by Assembly Members Leslie and Laird

January 5, 2005

An act to add Section 5060.1 to, and to add Article 8.6 (commencing with Section 5151) to Chapter 1 of Division 1 of, the Vehicle Code, relating to vehicles, *making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

AB 84, as amended, Leslie. Vehicles: ~~special interest~~ *specialized* license plates.

Existing law requires the Department of Motor Vehicles to issue certain special interest license plates, including specific special environmental design license plates, in accordance with a specified procedure. Existing law requires, before special interest license plates may be issued, at least 7,500 applications for the special interest license plates to be received by the department.

This bill, ~~on and after January 1, 2006,~~ would prohibit the department from accepting an application for participation in a special interest license plate program and from issuing license plates for a new special interest license plate program.

The bill would ~~create~~ *establish* a new specialized license plate program that would require the issuance of those license plates to have

a design or contain a message that publicizes or promotes a state *or* local agency, as defined, or the official policy, mission, or work of a state *or* local agency. The bill would subject the issuance of those license plates to requirements, similar to certain of the requirements in current law governing special interest license plates, ~~and limit the disposition of additional fees collected under this program, as specified.~~ The bill would *require the department, after deducting its administrative costs under these provisions, to deposit the additional revenue derived from the issuance, renewal, transfer, and substitution of the specialized license plates in the Specialized License Plate Fund, which the bill would establish in the State Treasury. All money in the fund would be continuously appropriated to the Controller for allocation to each sponsoring agency, in proportion to the amount in the fund that is attributable to the agency's specialized license plate program. The bill would require the sponsoring agency to expend all funds received under these provisions exclusively for projects and programs that promote the state or local agency's official policy, mission, or work. The bill would allow a state or local agency to designate a public or nonprofit agency to undertake its functions and duties of qualifying a particular program for the specialized license plate program.*

~~This bill would, subject to the above requirements, require the department, in consultation with the Sierra Nevada Conservancy, to design and make available for issuance special environmental design license plates bearing a graphic design depicting a significant feature of the Sierra Nevada Region, as specified. The bill would require an applicant for these license plates to pay, in addition to regular fees for an original registration or renewal of registration, specified additional fees. The bill would require the department to deposit the additional fees, less the department's administrative costs and with one specified exception, in the Sierra Nevada Conservancy Account, which the bill would create in the California Environmental License Plate Fund. The bill would require, upon appropriation by the Legislature, the Controller to allocate the money in the account to the Sierra Nevada Conservancy for expenditure consistent with the conservancy's objectives. The bill would require the conservancy to annually report to the Legislature on its use and expenditure of the money in the account.~~

The bill would declare that it is to take effect immediately as an urgency statute.

Vote: ~~majority~~^{2/3}. Appropriation: ~~no~~^{yes}. Fiscal committee:
yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. The Legislature finds and declares all of the~~
2 ~~following:~~

3 ~~(a) The Sierra Nevada Region is a globally significant area~~
4 ~~that includes many national and state parks, the highest peaks in~~
5 ~~the 48 contiguous states, and large, pristine areas that are open~~
6 ~~for public use.~~

7 ~~(b) The Sierra Nevada Region is an important part of the~~
8 ~~state's economy, and provides substantial agricultural products,~~
9 ~~timber resources, ranching, mining, tourism, and recreation.~~

10 ~~(c) The Sierra Nevada Region provides 65 percent of the~~
11 ~~state's developed water supply and nearly all of the water supply~~
12 ~~for western Nevada. As California's principal watershed, the~~
13 ~~region is the critical source of water for urban and rural parts of~~
14 ~~northern and southern California.~~

15 ~~(d) The Sierra Nevada Conservancy has been created to work~~
16 ~~in cooperation with local governments, private businesses,~~
17 ~~nonprofit organizations, and the public, as a lead agency in~~
18 ~~funding investment in the natural and human resources of the~~
19 ~~Sierra Nevada Region.~~

20 ~~(e) Thus, the state honors the unique importance of the Sierra~~
21 ~~Nevada Region by creating a Sierra Nevada specialized license~~
22 ~~plate as described in Section 5171 of the Vehicle Code.~~

23 ~~SEC. 2.—~~

24 ~~SECTION 1. The Legislature finds and declares all of the~~
25 ~~following:~~

26 ~~(a) The United States District Court for the Eastern District of~~
27 ~~California in The Women's Resource Network v. Steven Gourley~~
28 ~~(2004) 305 F. Supp. 2d 1145 permanently enjoined the Director~~
29 ~~of the California Department of Motor Vehicles from issuing any~~
30 ~~new special interest license plate to private, nonprofit~~
31 ~~organizations under the current provisions of Section 5060 of the~~
32 ~~California Vehicle Code, unless the state establishes "neutral~~
33 ~~criteria to ensure that the plate licensing decision is not based on~~
34 ~~the content or viewpoint of the speech being considered."~~

(b) The court did not enjoin the Director of the Department of Motor Vehicles from issuing any special interest license plate that is government speech that promotes California's state policies.

(c) This bill intends to clarify the framework for specialized license plates that contain only government speech, leaving the issue of special interest license plates designed for the benefit of private entities to other legislation.

(d) Revenue generated from special license plate programs provides a positive way to supplement funding for important governmental programs without any cost to the General Fund or an increase in taxes.

~~SEC. 3.—~~

SEC. 2. Section 5060.1 is added to the Vehicle Code, to read: 5060.1. Notwithstanding Section 5060 or any other provision of law to the contrary, ~~on and after January 1, 2006,~~ the department shall not accept an application for participation in a special interest license plate program under Section 5060 and shall not issue, under Section 5060, special interest license plates for a new program.

~~SEC. 4.—~~

SEC. 3. Article 8.6 (commencing with Section 5151) is added to Chapter 1 of Division 1 of the Vehicle Code, to read:

Article 8.6. Specialized License Plates

5151. ~~It~~(a) *As used in this article, the following terms have the following meanings:*

(1) *"Local agency" means a city, county, city and county, district, public authority, or public agency in the state, or any other political subdivision or public corporation in the state, but does not include the state or a state agency.*

(2) *"State agency" means a state office, officer, department, division, bureau, board, or commission, or any other state body or agency.*

(b) *It is the intent of the Legislature that this article contain the authority for specialized license plates for state and local agencies.*

1 5152. A person described in Section 5101 may apply for a
2 specialized license plate under this article, in lieu of regular
3 license plates.

4 ~~5154. Specialized license plates issued under a program~~
5 ~~provided for in this article shall comply with the following:~~

6 ~~(a) The license plates shall have a design or contain a message~~
7 ~~that publicizes or promotes a state agency or the official policy,~~
8 ~~mission, or work of a state agency that is expressly authorized~~
9 ~~under this article to participate in a specialized license plate~~
10 ~~program.~~

11 ~~(b) All fees received from the sale of the specialized license~~
12 ~~plates that are in excess of the regular fees for the original~~
13 ~~issuance of the license plates, renewal of registration with plates,~~
14 ~~transfer of license plates to another vehicle, or substitute~~
15 ~~replacement of the license plates shall be deposited in an account~~
16 ~~or fund provided for in this article, and the allocation of those~~
17 ~~funds shall be subject to appropriation by the Legislature.~~

18 ~~(c) As used in subdivision (a), "state agency" means every~~
19 ~~state office, officer, department, division, bureau, board,~~
20 ~~commission, or other state body or agency.~~

21 *5154. Specialized license plates issued under this article shall*
22 *have a design or contain a message that publicizes or promotes a*
23 *state or local agency, or the official policy, mission, or work of a*
24 *state or local agency.*

25 5155. The design criteria for a specialized license plate are as
26 follows:

27 (a) The license plate for a passenger vehicle, commercial
28 vehicle, or trailer shall provide a space not larger than two inches
29 by three inches to the left of the numerical series and a space not
30 larger than five-eighths of an inch in height below the numerical
31 series for a distinctive design, decal, or descriptive message as
32 authorized by this article. The license plates shall be issued in
33 sequential numerical order or, pursuant to Section 5103, in a
34 combination of numbers or letters.

35 (b) Specialized license plates authorized under this article may
36 be issued for use on a motorcycle. That license plate shall contain
37 a five-digit configuration issued in sequential numerical order or,
38 pursuant to Section 5103, in a combination of numbers or letters.
39 There shall be a space to the left of the numerical series for a
40 distinctive design or decal and the characters shall contrast

1 sharply with the uniform background color. A motorcycle plate
2 containing a full plate graphic design is not authorized.

3 *(c) Specialized license plates may be issued as environmental*
4 *license plates, as defined in Section 5103.*

5 ~~5156. (a) (1) A state agency may not be included in the~~
6 ~~program until not less than 7,500 applications for the particular~~
7 ~~specialized license plates are received. A state agency shall~~

8 *5156. (a) A state or local agency may apply to the*
9 *department to sponsor a specialized license plate program, and*
10 *the department shall issue specialized license plates for that*
11 *program, if the agency complies with all of the requirements of*
12 *this article.*

13 *(b) The department shall not establish a specialized license*
14 *plate program for an agency until the department has received*
15 *not less than 7,500 applications for that agency's specialized*
16 *license plates. The agency shall collect and hold applications for*
17 *the plates. Once the state agency has received at least 7,500*
18 *applications, it shall submit the applications, along with the*
19 *necessary fees, to the department. The department shall not issue*
20 *a specialized license plate until a state the agency has received*
21 *and submitted to the department not less than 7,500 applications*
22 *for that particular specialized license plate within the time period*
23 *prescribed in this section. Advance payment to the department by*
24 *the state agency representing the department's estimated or*
25 *actual administrative costs associated with the issuance of a*
26 *particular specialized license plate shall not constitute*
27 *compliance with this requirement. The state agency shall have 12*
28 *months, following the effective date of the enactment of the*
29 ~~*specific legislation enabling that agency to participate in this*~~
30 ~~*program, to receive the date of approval of the agency's initial*~~
31 ~~*application to sponsor a specialized license plate program, to*~~
32 ~~*receive the required number of applications. If, after that 12*~~
33 ~~*months, 7,500 applications have not been received, that the*~~
34 ~~*agency shall immediately do either of the following:*~~

35 ~~*(A)–*~~

36 ~~*(1) Refund to all applicants all fees or deposits that have been*~~
37 ~~*collected.*~~

38 ~~*(B)–*~~

39 ~~*(2) Contact the department to indicate the state agency's*~~
40 ~~*intent to undertake collection of additional applications and fees*~~

1 or deposits for an additional period, not to exceed 12 months, in
 2 order to obtain the minimum 7,500 applications. If ~~a state~~ *the*
 3 agency elects to exercise the option under this subparagraph, it
 4 shall contact each applicant who has submitted an application
 5 with the appropriate fees or deposits to determine if the applicant
 6 wishes a refund of fees or deposits or requests the continuance of
 7 the holding of the application and fees or deposits until that time
 8 that the agency has received 7,500 applications. The ~~state~~ agency
 9 ~~shall refund the fees or deposits to an applicant so requesting. In~~
 10 ~~no event shall a state agency collect and hold applications for a~~
 11 ~~period exceeding 24 months following the date of authorization~~
 12 ~~as described in paragraph (2) of subdivision (a).~~

13 ~~(C) Sequential plate fees shall be paid for the original~~
 14 ~~issuance, renewal, retention, replacement, or transfer of the~~
 15 ~~specialized license plate as determined by the state agency and~~
 16 ~~authorized by the department's regulations. Those license plates~~
 17 ~~containing a personalized message are subject to the fees~~
 18 ~~required pursuant to Sections 5106 and 5108 in addition to any~~
 19 ~~fees required by the specialized license plate program. shall~~
 20 ~~refund the fees or deposits to an applicant so requesting. The~~
 21 ~~agency shall not collect and hold applications for a period~~
 22 ~~exceeding 24 months following the date of approval of the~~
 23 ~~agency's initial application to sponsor a specialized license plate~~
 24 ~~program.~~

25 ~~(2) (A)–~~

26 *(c) (1)* If the number of outstanding and valid specialized
 27 license plates in any particular program provided for in this
 28 article is less than 7,500, the department shall notify the
 29 sponsoring ~~state~~ agency of that fact and shall inform ~~that the~~
 30 agency that if that number is less than 7,500 one year from the
 31 date of that notification, the department will no longer issue or
 32 replace those specialized license plates.

33 ~~(B)–~~

34 *(2)* Those particular specialized license plates that were issued
 35 prior to the discontinuation provided by ~~subparagraph (A)~~
 36 *paragraph (1)* may continue to be used and attached to the
 37 vehicle for which they were issued and may be renewed,
 38 retained, or transferred pursuant to this code.

39 ~~(b)–~~

1 (d) A state or local agency may designate a public or a
2 nonprofit agency to undertake the functions and duties of the
3 state or local agency under subdivision (a) (b).

4 ~~5157. (a) The department shall deduct its costs to develop~~
5 ~~and administer the specialized license plate program from the~~
6 ~~revenues collected for the plates.~~

7 ~~(b) The department shall deposit the remaining revenues from~~
8 ~~the original issuance, renewal, retention, replacement, or transfer~~
9 ~~of the specialized license plate in a fund that is established by the~~
10 ~~Controller or provided by statute.~~

11 5157. (a) In addition to the regular fees for an original
12 registration or renewal of registration, the following additional
13 fees shall be paid for the issuance, renewal, or transfer of the
14 specialized license plates:

15 (1) For the original issuance of the plates, fifty dollars (\$50).

16 (2) For a renewal of registration with the plates, forty dollars
17 (\$40).

18 (3) For transfer of the plates to another vehicle, fifteen dollars
19 (\$15).

20 (4) For each substitute replacement plate, thirty-five dollars
21 (\$35).

22 (5) In addition, for the issuance of environmental license
23 plates, as defined in Section 5103, with a specialized license
24 plate design, the additional fees prescribed in Sections 5106 and
25 5108. The additional fees prescribed in Sections 5106 and 5108
26 shall be deposited in the California Environmental License Plate
27 Fund.

28 (b) Except as provided in paragraph (5) of subdivision (a),
29 and after deducting its administrative costs under this section,
30 the department shall deposit the additional revenue derived from
31 the issuance, renewal, transfer, and substitution of the
32 specialized license plates in the Specialized License Plate Fund,
33 which is hereby established in the State Treasury.
34 Notwithstanding Section 13340 of the Government Code, all
35 money in the fund is hereby continuously appropriated, without
36 regard to fiscal years, to the Controller for allocation to each
37 sponsoring agency, in proportion to the amount in the fund that
38 is attributable to the agency's specialized license plate program.
39 Except as authorized under Section 5159, the sponsoring agency
40 shall expend all funds received under this section exclusively for

1 *projects and programs that promote the state or local agency's*
2 *official policy, mission, or work.*

3 5158. When payment of renewal fees is not required as
4 specified in Section 4000, or when a person determines to retain
5 the specialized license plate upon a sale, trade, or other release of
6 the vehicle upon which the plate has been displayed, the person
7 shall notify the department and the person may retain and use the
8 plate as authorized by department regulations.

9 5159. A state *or local* agency that is eligible to participate in
10 a specialized license plate program pursuant to this article and
11 receives funds from the additional fees collected from the sale of
12 specialized plates shall not expend annually more than 25 percent
13 of those funds on administrative costs, marketing, or other
14 promotional activities associated with encouraging application
15 for, or renewal of, the specialized plates.

16 5160. (a) A state *or local* agency authorized under this article
17 to offer specialized license plates shall prepare and submit an
18 annual accounting report to the department by June 30. The
19 report shall include an accounting of all revenues and
20 expenditures associated with the specialized license plate
21 program.

22 (b) If a state *or local* agency submits a report pursuant to
23 subdivision (a) indicating that the agency violated the
24 expenditure restriction set forth in Section 5159, the department
25 shall immediately cease ~~depositing fees in the fund created by the~~
26 ~~Controller for that under subdivision (b) of Section 5157 or as~~
27 ~~created by statute~~ *depositing fees for that agency's specified*
28 *license plate program in the Specialized License Plate Fund*
29 *established under Section 5157* and, instead, shall deposit those
30 fees that would have otherwise been deposited in that fund in a
31 separate fund created by the Controller, which fund is subject to
32 appropriation by the Legislature. The department shall
33 immediately notify the ~~state~~ agency of this course of action. The
34 depositing of funds in the account established pursuant to this
35 paragraph shall continue until the agency demonstrates to the
36 satisfaction of the department that the agency is in compliance or
37 will comply with the requirements of Section 5159. If one year
38 from the date that the ~~state~~ agency receives the notice described
39 in this paragraph, the agency is still unable to satisfactorily
40 demonstrate to the department that it is in compliance or will

1 comply with the requirements of Section 5159, the department
2 shall no longer issue or replace those specialized license plates
3 associated with that agency. Those particular specialized license
4 plates that were issued prior to the discontinuation provided by
5 this subdivision may continue to be used and attached to the
6 vehicle for which they were issued and may be renewed,
7 retained, or transferred pursuant to this code.

8 (c) Upon receiving the reports required under subdivision (a),
9 the department shall prepare and transmit an annual consolidated
10 report to the Legislature containing the revenue and expenditure
11 data.

12 ~~5171. (a) The department, in consultation with the Sierra~~
13 ~~Nevada Conservancy, shall design and make available for~~
14 ~~issuance under this article special environmental design license~~
15 ~~plates as described in this section. The special environmental~~
16 ~~design license plates shall bear a design depicting a significant~~
17 ~~feature of the Sierra Nevada Region. A person described in~~
18 ~~Section 5101 may, upon payment of the additional fees set forth~~
19 ~~in subdivision (b), apply for and be issued a set of special~~
20 ~~environmental design license plates. The special environmental~~
21 ~~design license plates may be issued as environmental license~~
22 ~~plates, as defined in Section 5103.~~

23 ~~(b) In addition to the regular fees for an original registration or~~
24 ~~renewal of registration, the following additional fees shall be~~
25 ~~paid for the issuance, renewal, or transfer of the special~~
26 ~~environmental design license plates authorized pursuant to this~~
27 ~~section:~~

28 ~~(1) For the original issuance of the plates, fifty dollars (\$50).~~

29 ~~(2) For a renewal of registration with the plates, forty dollars~~
30 ~~(\$40).~~

31 ~~(3) For transfer of the plates to another vehicle, fifteen dollars~~
32 ~~(\$15).~~

33 ~~(4) For each substitute replacement plate, thirty-five dollars~~
34 ~~(\$35).~~

35 ~~(5) In addition, for the issuance of environmental license~~
36 ~~plates, as defined in Section 5103, with a design described in~~
37 ~~subdivision (a), the additional fees prescribed in Sections 5106~~
38 ~~and 5108. The additional fees prescribed in Sections 5106 and~~
39 ~~5108 shall be deposited in the California Environmental License~~
40 ~~Plate Fund.~~

~~(e) Except as provided in paragraph (5) of subdivision (b), and after deducting its administrative costs under this section, the department shall deposit the additional revenue derived from the issuance, renewal, transfer, and substitution of special environmental design license plates issued under this section in the Sierra Nevada Conservancy Account, which is hereby created in the California Environmental License Plate Fund. Upon appropriation by the Legislature, the money in the account shall be allocated by the Controller to the Sierra Nevada Conservancy for expenditure consistent with the objectives of the Sierra Nevada Conservancy.~~

~~(d) The Sierra Nevada Conservancy shall report to the Legislature on or before June 30 of each year on its use and expenditure of the money in the Sierra Nevada Conservancy Account, beginning one year after the initial issuance of the special interest license plates authorized by this section.~~

SEC. 4. (a) If Senate Bill 651 is not enacted during the 2005–06 Regular Session, or is enacted during that session but does not establish a special interest license plate program, Sections 2 and 3 of this act shall become operative on the effective date of this act.

(b) If Senate Bill 651 is enacted during the 2005–06 Regular Session and establishes a special interest license plate program, Sections 2 and 3 of this act shall not become operative, except as required under subdivision (c).

(c) If Senate Bill 651 is enacted during the 2005–06 Regular Session and establishes a special interest license plate program, but that program is later held to be unconstitutional, or is otherwise rendered inoperative, by the final judgment of a court of competent jurisdiction, Sections 2 and 3 of this act shall become operative on the effective date of that judgment.

SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide, at the earlier possible time, supplemental funding for important new governmental programs, such as the Sierra Nevada Conservancy, without any cost to the General Fund or an increase in taxes, it is necessary that this act take effect immediately.

1		_____
2	CORRECTIONS:	
3	Text — Pages 7 and 11.	
4		_____

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